THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
W.R. GRACE & CO., <u>et al</u> .,) Case No. 01-01139 (JKF)
AS FINANCIAL ADVISOR TO W.I COMPENSATION AND REIMBU) (Jointly Administered)) (Jointly Administered)) (Jylchin) (Jyli) (D) BLACKSTONE ADVISORY PARTNERS L.P. R. GRACE & CO. AND AFFILIATES FOR JRSEMENT OF EXPENSES INCURRED R 1, 2009 THROUGH OCTOBER 31, 2009
Name of Applicant:	Blackstone Advisory Partners L.P.
Authorized to Provide Professional Services to:	Debtors
Date of Retention Order:	June 22, 2001, effective April 2, 2001
Period for which compensation and reimbursement is sought:	October 1, 2009 through October 31, 2009
Amount of Compensation sought as actual, reasonable and necessary:	Total (Holdback @ 20%) \$100,000.00 (\$20,000.00)
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	\$1,354.62
Amount of Cash Payment Sought:	\$81,354.62
This is a <u>x</u> monthly <u>interim</u> final a	pplication

Summary of Monthly Applications:

		Requ	ested	App	roved	Unapproved	Unpaid
Date Filed	Period(s) Covered	Fees	Expenses	Fees	Expenses	Holdback(s)	Holdbacks
07/31/01	04/02/01 - 06/30/01	\$519,166.66	7,663.95	\$519,166.66	7,663.95	\$	\$
08/24/01	07/01/01 - 07/31/01	175,000.00	3,504.53	175,000.00	3,504.53		
10/16/01	08/01/01 - 08/31/01	175,000.00	16,124.84	175,000.00	16,124.84		
11/21/01	09/01/01 - 09/30/01	175,000.00	11,846.09	175,000.00	11,846.09		
11/30/01	10/01/01 - 10/31/01	175,000.00	5,042.39	175,000.00	5,042.39		
01/31/02	11/01/01 - 11/30/01	175,000.00	7,477.10	175,000.00	7,477.10		
01/31/02	12/01/01 - 12/31/01	175,000.00	2,133.92	175,000.00	2,133.92		
03/15/02	01/01/02 - 01/31/02	175,000.00	5,140.26	175,000.00	5,140.26		
04/05/02	02/01/02 - 02/28/02	175,000.00	1,719.69	175,000.00	1,719.69		
05/02/02	03/01/02 - 03/31/02	175,000.00	631.92	175,000.00	631.92		
07/25/02	04/01/02 - 04/30/02	175,000.00	2,736.03	175,000.00	2,736.03		
08/15/02	05/01/02 - 05/31/02	175,000.00	516.61	175,000.00	516.61		
08/15/02	06/01/02 - 06/30/02	175,000.00	733.20	175,000.00	733.20		
11/13/02	07/01/02 - 07/31/02	175,000.00	2,603.74	175,000.00	2,603.74		
11/13/02	08/01/02 - 08/31/02	175,000.00	3,547.21	175,000.00	3,547.21		
11/13/02	09/01/02 - 09/30/02	175,000.00	1,611.87	175,000.00	1,611.87		
02/14/03	10/01/02 - 10/31/02	175,000.00	1,848.24	175,000.00	1,848.24		
02/14/03	11/01/02 – 11/30/02	175,000.00	2,109.76	175,000.00	2,109.76		
02/14/03	12/01/02 - 12/31/02	175,000.00	1,570.49	175,000.00	1,570.49		
03/25/04	01/01/03 - 12/31/03	525,000.00	10,063.83	525,000.00	10,063.83		
08/17/04	01/01/04 - 06/30/04	525,000.00	2,833.02	525,000.00	2,833.02		
11/15/04	07/01/04 - 09/30/04	525,000.00	22,158.70	525,000.00	22,158.70		
11/24/04	10/01/04 - 10/31/04	175,000.00	3,635.27	175,000.00	3,635.27		
01/24/05	11/01/04 – 11/30/04	175,000.00	4,369.47	175,000.00	4,369.47		
01/24/05	12/01/04 – 12/31/04	175,000.00	1,129.94	175,000.00	1,129.94		
03/07/05	01/01/05 - 01/31/05	175,000.00	2,347.64	175,000.00	2,347.64		
05/19/05	02/01/05 - 02/28/05	175,000.00	742.42	175,000.00	742.42		
05/19/05	03/01/05 - 03/31/05	175,000.00	1,106.33	175,000.00	1,106.33		
08/26/05	04/01/05 - 04/30/05	100,000.00	3,082.08	100,000.00	3,082.08		
08/26/05	05/01/05 - 05/31/05	50,000.00	1,709.38	50,000.00	1,709.38		
08/26/05	06/01/05 - 06/30/05	50,000.00	2,917.10	50,000.00	2,917.10		
05/10/06	07/01/05 - 07/31/05	75,000.00	2,289.24	75,000.00	2,289.24		
05/10/06	08/01/05 - 08/31/05	50,000.00	2,304.36	50,000.00	2,304.36		
05/10/06	09/01/05 - 09/30/05	25,000.00	679.00	25,000.00	679.00		
06/21/06	10/01/05 - 10/31/05	100,000.00	786.97	100,000.00	786.97		
06/21/06	11/01/05 – 11/30/05	100,000.00	1,854.08	100,000.00	1,854.08		
06/21/06	12/01/05 – 12/31/05	100,000.00	488.35		488.35		
07/25/06	01/01/06 - 01/31/06	50,000.00	1,369.41	50,000.00	1,369.41		
07/25/06	02/01/06 - 02/28/06	100,000.00	560.94	100,000.00	560.94		
07/25/06	03/01/06 - 03/31/06	100,000.00	1,273.41	100,000.00	1,273.41		
09/21/06	04/01/06 - 04/30/06	75,000.00	208.81	75,000.00	208.81		
09/21/06	05/01/06 - 05/31/06	100,000.00	1,660.26	100,000.00	1,660.26		
09/21/06	06/01/06 - 06/30/06	125,000.00	2,155.45	125,000.00	2,155.45		
10/18/06	07/01/06 - 07/31/06	125,000.00	4,794.17	125,000.00	4,794.17		
11/30/06	08/01/06 - 08/31/06	75,000.00	1,665.99	75,000.00	1,665.99		
11/30/06	09/01/06 - 09/30/06	75,000.00	995.60	75,000.00	995.60		
02/28/07	10/01/06 – 10/31/06	100,000.00	704.00	100,000.00	704.00		
02/28/07	11/01/06 – 11/30/06	175,000.00	1,104.42	175,000.00	1,104.42		
	12/01/06 – 12/31/06	150,000.00	1,509.61	150,000.00	1,509.61		
02/28/07	12/01/06 - 12/31/06	150,000.00	1,509.61	150,000.00	1,509.61	<u></u>	

		Reque	ested	App	roved	Unapproved	Unpaid
Date Filed	Period(s) Covered	Fees	Expenses	Fees	Expenses	Holdback(s)	Holdbacks
04/10/07	01/01/07 - 01/31/07	100,000.00	5,412.84	100,000.00	5,412.84		
06/29/07	02/28/07 - 02/28/07	100,000.00	1,260.82	100,000.00	1,260.82		
06/29/07	03/01/07 - 03/31/07	100,000.00	535.30	100,000.00	535.30		
09/20/07	04/01/07 - 04/30/07	100,000.00	3,145.97	100,000.00	3,145.97		
09/20/07	05/01/07 - 05/31/07	125,000.00	148.40	125,000.00	148.40		
09/20/07	06/01/07 - 06/30/07	125,000.00	584.53	125,000.00	584.53		
11/19/07	07/01/07 - 07/31/07	125,000.00	786.94	125,000.00	786.94		
11/19/07	08/01/07 - 08/31/07		997.55		997.55		
11/19/07	09/01/07 - 09/30/07	75,000.00	585.59	75,000.00	585.59		
03/13/08	10/01/07 - 10/31/07	100,000.00	1,518.85	100,000.00	1,518.85		
03/13/08	11/01/07 - 11/30/07	75,000.00	241.73	75,000.00	241.73		
03/13/08	12/01/07 - 12/31/07	50,000.00	270.44	50,000.00	270.44		
05/22/08	01/01/08 - 01/31/08	100,000.00	2,618.39	100,000.00	2,618.39		
05/22/08	02/01/08 - 02/29/08	150,000.00	377.34	150,000.00	377.34		•••
05/22/08	03/01/08 - 03/31/08	75,000.00	1,468.54	75,000.00	1,468.54		
10/16/08	04/01/08 - 04/30/08	150,000.00	370.04	150,000.00	370.04		
10/16/08	05/01/08 - 05/31/08	125,000.00	868.61	125,000.00	868.61		
10/16/08	06/01/08 - 06/30/08	175,000.00	7,178.80	175,000.00	7,178.80		
01/09/09	07/01/08 - 07/31/08	175,000.00	1,507.33	175,000.00	1,507.33		
01/09/09	08/01/08 - 08/31/08	175,000.00	3,482.81	175,000.00	3,482.81		
01/09/09	09/01/08 - 09/30/08	175,000.00	7,491.74	175,000.00	7,491.74		
01/09/09	10/01/08 - 10/31/08	150,000.00	3,166.54	120,000.00	3,166.54		
04/20/09	11/01/08 - 11/30/08	75,000.00	3,762.45	75,000.00	3,762.45		
04/20/09	12/01/08 - 12/31/08	75,000.00	4,251.05	75,000.00	4,251.05		
07/06/09	01/01/09 - 01/31/09	75,000.00	407.84	75,000.00	407.84		
07/06/09	02/01/09 - 02/28/09	175,000.00	840.67	175,000.00	840.67		
07/06/09	03/01/09 - 03/31/09	150,000.00	1,515.13	120,000.00	1,515.13	30,000.00	
09/03/09	04/01/09 - 04/30/09	150,000.00	1,757.02	120,000.00	1,757.02	30,000.00	
09/03/09	05/01/09 - 05/31/09	175,000.00	4,503.06	140,000.00	1,515.13	35,000.00	
09/03/09	06/01/09 – 06/30/09	175,000.00	4,246.49	140,000.00	4,246.49	35,000.00	
12/14/09	07/01/09 - 07/31/09	175,000.00	10,766.12				
12/14/09	08/01/09 - 08/31/09	175,000.00	2,367.44				
12/14/09	09/01/09 - 09/30/Q9	100,000.00	3,953.33				
N/A	10/01/09 - 10/31/09	100,000.00	1,354.62				

Blackstone Advisory Partners L.P.

December 15, 2009

Mr. Fred Festa Chairman, President and Chief Executive Officer W.R. Grace & Co. 7500 Grace Drive Columbia, Maryland 21044

Monthly advisory fee for the period of October 1, 2009 through October 31, 2009:

\$

100,000.00

Less: 20% holdback pursuant to the Court's Administrative Order

(20,000.00)

Out-of-pocket expenses processed for the period through October 31, 2009:(1)

Airfare

\$ 1,230.20

Communications

124.42

1,354.62

Total Amount Due

\$

81,354.62

Please wire transfer funds to:

JP Morgan Chase
One Chase Manhattan Plaza
New York, NY 10017
ABA# 021 000 021
Credit Account: Blackstone Advisory Partners L.P.
Account Receivable Dept. 16th Floor
Account # 066-287472

Invoice Number: 40854

Blackstone Advisory Partners L.P.

345 Park Avenue New York, NY 10154 212 583-5000

Expenses incurred, but not yet processed due to timing differences will be billed at a later date.

W.R. Grace & Co. Summary of Expenses Through October 31, 2009 Invoice No. 40854

(GL Detail Oct-09	ĭ	Total Expenses
\$	1,230.20	\$	1,230.20
	124.42		124.42
\$	1,354.62	\$	1,354.62
Airfai Comn	re nunications	\$	1,230.20 124.42
Total	Expenses	<u> </u>	1,354.62

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W.R. Grace & Co.
Detail of Expenses Processed
Through October 31, 2009
Invoice No. 40854

<u>Airfare</u>			
Zilly (travel agency fee for booking of one-way flight to Queens, NY from Pittsburgh, PA on 09/13/09)	09/11/09	20.00	
Zilly (one-way coach class flight to Queens, NY from Pittsburgh, PA)	09/13/09	329.60	
Zilly (travel agency fee for booking of one-way flight to Queens, NY from Pittsburgh, PA on 09/17/09)	09/17/09	20.00	
Zilly (one-way coach class flight to Queens, NY from Pittsburgh, PA)	09/17/09	860.60	
	Subtotal - Airfare		\$ 1,230.20
Communications - Teleconferencing			
O'Connell	08/24/09	19.32	
O'Connell	09/24/09	11.08	
Zilly	08/24/09	94.02	
	l - Communications - Teleconferencing	-	 124.42
	Total Expenses	:	\$ 1,354.62

Hours	47.9	19.8	11.4	38.3
litle	Senior Managing Director	Vice President	Associate	Analyst Total
Professional	Pamela Zilly	John J. O'Connell	Matthew Bonnano	Michael Sperling

i			CODEN	COLOREN 1, 2007 AMANO GAI OCTOBEN 31, 2007
Professional	Date	Hours	Category	Explanation
John J. O'Connell	10/01/09	9.0	Business Analysis	Financial analysis and call related to analysis
Matthew Bonnano	10/01/09	9.0	Business Analysis	Financial analysis and call related to analysis
Michael Sperling	10/01/09	9.0	Business Analysis	Financial analysis and call related to analysis
John J. O'Connell	60/90/01	0.3	Business Analysis	Correspondence regarding financial analysis
Matthew Bonnano	60/90/01	0.4	Business Analysis	Financial analysis
John J. O'Connell	60/20/01	4.6	Business Analysis	Financial analysis related to pre-petition claims
John J. O'Connell	10/07/09	0.2	Business Analysis	Call with B. Dockman regarding financial analysis
Matthew Bonnano	10/12/09	0.3	Business Analysis	Financial analysis and calls related to pre-petition bank debt claim analysis
Matthew Bonnano	10/20/09	1.5	Business Analysis	Review and prepare financial analysis related to Q3'09 results
Michael Sperling	10/20/09	3.7	Business Analysis	Financial analysis related to Q3'09 results
John J. O'Connell	10/21/09	0.1	Business Analysis	Review correspondence regarding financial analysis
Pamela Zilly	10/23/09	6.0	Business Analysis	Call with internal team and management regarding financial projections
Pamela Zilly	10/23/09	9.0	Business Analysis	Status meeting with J.O'Connell, M. Bonanno
John J. O'Connell	10/23/09	9.0	Business Analysis	Status meeting with P. Zilly, M. Bonanno
Matthew Bonnano	10/23/09	9.0	Business Analysis	Status meeting with J.O'Connell, P. Zilly
John J. O'Connell	10/23/09	0.5	Business Analysis	Call with internal team and management regarding financial projections
Matthew Bonnano	10/23/09	0.5	Business Analysis	Call with internal team and management regarding financial projections
Michael Sperling	10/23/09	0.5	Business Analysis	Call with internal team and management regarding financial projections
John J. O'Connell	10/26/09	6.5	Business Analysis	Financial analysis and related correspondence
Matthew Bonnano	10/26/09	1.1	Business Analysis	Financial analysis
John J. O'Connell	10/27/09	0.4	Business Analysis	Financial analysis
Michael Sperling	10/27/09	0.7	Business Analysis	Financial analysis for K&E
Matthew Bonnano	10/27/09	6.0	Business Analysis	Financial analysis
Matthew Bonnano	10/28/09	9.0	Business Analysis	Review financial analysis related to Q3'09 results
Matthew Bonnano	10/30/09	0.4	Business Analysis	Review financial analysis related to Q3'09 results
Michael Sperling	10/30/09	8.0	Business Analysis	Financial analysis for K&E
Michael Sperling	10/30/09	4.8	Business Analysis	Updated financial analysis related to Q3'09 results
		26.9		

OCTOBER 1, 2007 ITINO OCTOBER 31, 2007	Category	Claims Analysis Objection/Resolution LC claim interest rate sensitivity analysis	Claims Analysis Objection/Resolution LC claim interest rate sensitivity analysis	Claims Analysis Objection/Resolution Interest analysis on claim amount	Claims Analysis Objection/Resolution Correspondence regarding claims	Claims Analysis Objection/Resolution Review correspondence regarding claims	Claims Analysis Objection/Resolution Review correspondence regarding claims	Claims Analysis Objection/Resolution Call with counsel to discuss interest related analysis	Claims Analysis Objection/Resolution Call with counsel to discuss interest related analysis	
5	Category	Claims Analysis Objection	Claims Analysis Objection	Claims Analysis Objection	Claims Analysis Objection	Claims Analysis Objection	Claims Analysis Objection	Claims Analysis Objection	Claims Analysis Objection	
	Hours	3.4	1.4	2.7	0.3	0.1	0.1	0.3	0.3	8.6
	Date	60/90/01	10/07/09	60/80/01	10/19/09	10/23/09	10/23/09	10/29/09	10/29/09	
	Professional	Michael Sperling	Michael Sperling	Michael Sperling	John J. O'Connell	John J. O'Connell	Matthew Bonnano	Matthew Bonnano	Michael Sperling	

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Professional	Date	Hours	Category	Explanation
Michael Sperling	10/01/09	2.3	Corporate Finance	WACC analysis for B. Dockman
Michael Sperling	10/02/09	1.5	Corporate Finance	WACC analysis for B. Dookman
Matthew Bonnano	10/02/09	0.3	Corporate Finance	Call with management regarding financial model
Michael Sperling	10/12/09	0.7	Corporate Finance	WACC analysis for E. Filon
Pamela Zilly	10/23/09	0.3	Corporate Finance	Meeting with M. Bonanno re: status, financial analysis
Matthew Bonnano	10/23/09	0.3	Corporate Finance	Meeting with P. Zilly re; status, financial analysis
Michael Sperling	10/26/09	5.7	Corporate Finance	Deferred payment and warrant pricing analysis for H. La Force
Michael Sperling	10/27/09	1.7	Corporate Finance	Comparables analysis for L. Grandieri
Michael Sperling	10/27/09	2.1	Corporate Finance	Foreign vs. domestic cash flow breakdown analysis
Michael Sperling	10/28/09	8.0	Corporate Finance	Comparables analysis for L. Grandieri
Michael Sperling	10/28/09	1.4	Corporate Finance	Foreign vs. domestic cash flow breakdown analysis
Pamela Zilly	10/29/09	9.0	Corporate Finance	Review analyses
Matthew Bonnano	10/29/09	9.0	Corporate Finance	Call with M. Brown to discuss cash flow analysis
Michael Sperling	10/29/09	1.7	Corporate Finance	Foreign vs. domestic cash flow breakdown analysis
Michael Sperling	10/29/09	0.4	Corporate Finance	Call with M. Brown to discuss cash flow analysis
		20.2		

Professional	Date	Hours	Category	Explanation
John J. O'Connell	10/01/09	0.1	Financing	Correspondence regarding exit financing
John J. O'Connell	60/50/01	0.2	Financing	Call with management regarding exit financing
Matthew Bonnano	10/02/09	0.2	Financing	Call with management regarding exit financing
Pamela Zilly	10/08/09	6.5	Financing	Call with E. Filon, counsel re: potential exit lenders
John J. O'Connell	60/80/01	0.3	Financing	Call with management and exit financing lender
John J. O'Connell	60/80/01	0.7	Financing	Exit financing analysis
John J. O'Connell	60/80/01	6.0	Financing	Call regarding exit financing
Pamela Zilly	10/09/09	8.0	Financing	Review documents re: potential exit lenders
Pamela Zilly	10/09/09	0.5	Financing	Call with E. Filon, counsel re: potential exit lenders
John J. O'Connell	10/09/09	0.2	Financing	Review correspondence regarding exit financing
John J. O'Connell	10/09/09	0.3	Financing	Review of comparable company notes offering and correspondence related to offering
John J. O'Connell	10/12/09	0.1	Financing	Review correspondence regarding exit financing
John J. O'Connell	10/13/09	0.2	Financing	Call with E. Filon regarding various matters
John J. O'Connell	10/14/09	9.0	Financing	Exit financing analysis
John J. O'Connell	10/14/09	0.3	Financing	Call with E. Filon regarding exit financing
John J. O'Connell	10/14/09	1.1	Financing	Call with management and counsel regarding exit financing
John J. O'Connell	10/15/09	1.8	Financing	Exit financing analysis
John J. O'Connell	10/15/09	0.2	Financing	Call with J. McFarland regarding exit financing
John J. O'Connell	10/12/09	0.2	Financing	Correspondence regarding exit financing
John J. O'Connell	10/19/09	5.0	Financing	Call with management regarding exit financing
Matthew Bonnano	10/19/09	5.0	Financing	Call with management regarding exit financing
Pamela Zilly	10/20/09	1.2	Financing	Call with E. Filon, counsel re: potential exit lenders
John J. O'Connell	10/20/09	1.2	Financing	Call with management and counsel regarding exit financing
Matthew Bonnano	10/20/09	1.2	Financing	Call with management and counsel regarding exit financing
Pamela Zilly	10/29/09	0.4	Financing	Call with E. Filon re: bank meetings
John J. O'Connell	10/29/09	0.4	Financing	Call with management and counsel regarding exit financing
		14.6		

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			OCIOBER 1,	OCTOBER 1, 2009 IHROUGH OCTOBER 31, 2009
Professional	Date	Hours	Category	Explanation
Pamela Zilly	10/04/09	0.2	Other	Call with J.O'Connell
Pamela Zilly	60/20/01	0.3	Other	Call with E. Filon
John J. O'Connell	10/01/09	0.2	Other	Status call with P. Zilly
Michael Sperling	10/07/09	9.0	Other	Prime rate information and historical data
Michael Sperling	10/12/09	0.5	Other	Bank debt pricing for M. Averza
Pamela Zilly	10/14/09	0.3	Other	Status meeting with J.O'Connell, M. Bonanno
John J. O'Connell	10/14/09	0.3	Other	Status meeting with P. Zilly
Matthew Bonnano	10/14/09	0.3	Other	Status update with P. Zilly
John J. O'Connell	10/23/09	9.0	Other	Status update with P. Zilly and M. Bonanno
Pamela Zilly	10/23/09	9.0	Other	Status update with J. O'Connell and M. Bonanno
Matthew Bonnano	10/23/09	9.0	Other	Status update with P. Zilly and J. O'Connell
Matthew Bonnano	10/23/09	0.3	Other	Status update with P. Zilly
Pamela Zilly	10/23/09	0.3	Other	Status update with M. Bonanno
Pamela Zilly	10/29/09	0.4	Other	Call with E. Filon
		5.5		

OCTOBER 1, 2009 THROUGH OCTOBER 31, 2009	Category	Principanus Osessanas		an and Disclosure Statement Call with P. Zilly re: status		an and Disclosure Statement Call with E. Leibenstein	an and Disclosure Statement Prepare for testimony		an and Disclosure Statement Prepare for testimony	an and Disclosure Statement Prepare for testimony	an and Disclosure Statement Provide testimony at confirmation hearing	an and Disclosure Statement Attend confirmation hearing	an and Disclosure Statement Call with E. Leibenstein	an and Disclosure Statement Call with management, counsel re: confirmation hearing and motions			an and Disclosure Statement Review draft post-trial briefs	an and Disclosure Statement Call with counsel re: post trial briefs	
OCTOBER 1, 2009	Category	Blos mad Dividence Section 20			Plan and Disclosure Statement	Plan and Disclosure Statement	Plan and Disclosure Statement	Plan and Disclosure Statement	Plan and Disclosure Statement				Plan and Disclosure Statement	Plan and Disclosure Statement	Plan and Disclosure Statement	Plan and Disclosure Statement	Plan and Disclosure Statement	Plan and Disclosure Statement	
	Hours	c	0.7	0.2	3.0	0.3	3.0	4.0	4.0	10.0	0.9	1.0	0.3	0.4	0.4	1.0	9.0	0.5	34.9
	Date	00/20/01	10/01/01	10/02/09	10/08/09	10/08/09	10/09/09	10/10/09	10/11/09	10/12/09	10/13/09	10/13/09	10/12/09	10/20/09	10/20/09	10/28/09	10/28/09	10/29/09	
	Professional	Pamela Zilly	dinera zamy	John J. O'Connell	Pamela Zilly	Pamela Zilly	Pamela Zilly	Pamela Zilly	Pamela Zilly	Pamela Zilly	Pamela Zilly	Pamela Zilly	Pamela Zilly	Pamela Zilly	John J. O'Connell	Pamela Zilly	John J. O'Connell	Pamela Zilly	